



Making a difference...together

SURFSIDE PARK ESTATES WATER SERVICE COMMITTEE
 Notice of Meeting on **Thursday, November 24, 2022 at 2:00 p.m.**
 Goldstream Conference Room, 479 Island Highway, Victoria, BC

For members of the **public who wish to listen to the meeting** via telephone please call **1-833-353-8610** and enter the **Participant Code 1911461 followed by #**. You will not be heard in the meeting room but will be able to listen to the proceedings.

L. Vallee (Chair)
R. Noyes

P. Brent, Electoral Area Director
K. Wall

W. Mulvin

AGENDA

1. APPROVAL OF AGENDA

2. ADOPTION OF MINUTES3

Recommendation: That the minutes of the June 30, 2022 meeting be adopted.

3. CHAIR'S REMARKS

4. PRESENTATIONS/DELEGATIONS

The public are welcome to attend Committee meetings in-person.

Delegations will have the option to participate electronically. Please complete the [online](#) application for "Addressing the Board" on our website and staff will respond with details.

Alternatively, you may email your comments on an agenda item to the Surfside Park Estates Water Service Committee at ivsadministration@crd.bc.ca.

Requests must be received no later than 4:30 p.m. two calendar days prior to the meeting.

5. SENIOR MANAGER'S REPORT

6. COMMITTEE BUSINESS

6.1. 2023 Operating and Capital Budget6

Recommendation: That the Surfside Park Estates Water Service Committee:

1. *Approve the 2023 Operating and Capital Budget as presented, and recommend that the 2022 actual surplus or deficit be balanced on the 2022 Reserve Funds transfer (CRF and/or ORF); and*
2. *Recommends that the Electoral Area Services Committee recommend that the CRD Board approve the 2023 Operating and Capital Budget and the five-year Financial Plan for the Surfside Park Estates Water Service as presented.*

6.2. Project and Operations Update22

There is no recommendation. This report is for information only.

*To ensure quorum, advise **Mikayla Risvold 250.474.9518** if you cannot attend.*

**Surfside Park Estates Water Service Committee
Agenda – November 24, 2022**

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7. CORRESPONDENCE

8. NEW BUSINESS

9. ADJOURNMENT

Next Meeting: At the call of the Chair



Making a difference...together

MINUTES OF A MEETING OF THE Surfside Park Estates Water Service Committee, held Thursday, June 30, 2022 at 3 p.m., In the Goldstream Meeting Room, 479 Island Highway, Victoria, BC

PRESENT: Committee Members: L. Vallee (Chair); P. Brent (Acting Electoral Area Director) (EP); W. Mulvin (EP); R. Noyes (EP)

Staff: M. McCrank, Senior Manager, Wastewater Infrastructure Operations;
I. Jesney, Senior Manager, Infrastructure Engineering; M. Risvold, Committee and Administrative Clerk (recorder)

REGRETS: K. Wall

EP = Electronic Participation

The meeting was called to order at 3:02 pm.

1. APPROVAL OF AGENDA

MOVED by P. Brent, **SECONDED** by W. Mulvin,
That the agenda be approved.

CARRIED

2. ADOPTION OF MINUTES

MOVED by W. Mulvin, **SECONDED** by R. Noyes,
That the minutes of the February 24, 2022 meeting be adopted.

CARRIED

3. CHAIR'S REMARKS

On April 13, 2022 the CRD Board approved a newly developed *Best Practices Guide for Meetings*. One new best practice is to no longer conduct a vote on recommendations to "receive for information". You will notice items on the agenda that are for information that the recommendation has changed to read "*There is no recommendation. This report is for information only.*" Staff will respond to questions related to the item but no vote will be called.

4. PRESENTATIONS/DELEGATIONS

There were none.

5. SENIOR MANAGER'S REPORT

- **Bylaw No. 4449 – A Bylaw to Amend Appointment for the Surfside Park Estates Water Service Committee (Bylaw No. 3131)**

M. McCrank provided an overview of Bylaw 4449. He advised there will be two vacancies on the committee, and noted advertisements for vacancies will be posted for 30 days. Nominations will be recommended to the Board by the Electoral Area Director.

- **Verbal discussion to introduce draft Local Service Area Water Conservation Bylaw**

M. McCrank introduced the draft Local Service Area Water Conservation Bylaw, advising it will likely be enacted by Spring 2023. He added that current water conservation measures are voluntary. The new bylaw will bring standardization throughout the local services and the ability to enforce conservation. The draft bylaw will be shared with the committee for review and comment prior to adoption.

6. COMMITTEE BUSINESS

6.1. Project and Operations Update

Staff provided updates on capital projects and operations.

Staff advised information gathered from the System Review Project will provide more information for an Alternative Approval Process (AAP) that will take place in 2023. Discussion will take place with the committee regarding the information that will be presented to the service. Staff advised results are expected next year. Discussion ensued.

Staff responded to questions from the committee regarding water system leaks. Staff advised one of the leaks is located in a problematic location due to terrain, and advised operations staff is working to locate the leak. Additional leaks were noted in other locations in the distribution system and plans are being developed to locate and repair these leaks as well.

6.2. 2021 Annual Report

M. McCrank introduced the 2021 Annual Report.

7. CORRESPONDENCE

There was none.

8. NEW BUSINESS

I. Jesney advised M. McCrank is leaving the Capital Regional District effective September 2022.

The committee thanked M. McCrank for his service.

M. McCrank advised there will be a meeting in November to review the Operating and Capital Budget, and a date will be provided to the committee once determined.

**Surfside Park Estates Water Service Committee
Minutes – June 30, 2022**

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9. ADJOURNMENT

MOVED by R. Noyes, **SECONDED** by W. Mulvin,
That the June 30, 2022 meeting be adjourned at 3:34 pm.

CARRIED

CHAIR

SECRETARY



Making a difference...together

REPORT TO SURFSIDE PARK ESTATES WATER SERVICE COMMITTEE MEETING OF THURSDAY, NOVEMBER 24, 2022

SUBJECT **Surfside Park Estates Water Service 2023 Operating and Capital Budget**

ISSUE SUMMARY

To present the 2023 Operating and Capital Budget for Committee approval, pursuant to Bylaw No. 3131, "Surfside Park Estates Water Service Committee Bylaw No. 1, 2003".

BACKGROUND

The Capital Regional District (CRD) is required by legislation under the *Local Government Act* (LGA) to prepare an annual Operating and Capital budget and a five-year Financial Plan. CRD staff have prepared the budget and financial plan, shown in Appendix A, for the Surfside Park Estates Water Service.

The Operating Budget includes the regular annual costs to operate the service. The Capital Expenditure Plan shows the anticipated expenditures for capital additions. These may include purchases of new assets or infrastructure, upgrades or improvements to existing assets or asset review and study work that could lead to potential future capital improvements.

In preparing the Operating Budget, CRD staff considered:

- Actual expenditures incurred between 2020 and 2022
- Anticipated changes in level of service (if any)
- Maximum allowable tax requisition
- Annual cost per taxable folio and per Single Family Equivalent (SFE)

Factors considered in the preparation of the Capital Expenditure Plan included:

- Available funds on hand
- Projects in progress
- Condition of existing assets and infrastructure
- Regulatory, environmental, and health and safety factors

Adjustments for surpluses or deficits from 2022 may be made in January 2023. The CRD Board will give final approval to the budget and financial plan in March 2023.

The Financial Plan for years 2024 to 2027 may change in future years.

BUDGET OVERVIEW

Operating Budget

It is projected that the operating expenses in 2022 will be approximately \$16,740 over budget. Factors contributing to the operating overage include emergency response and corrective maintenance primarily due to the following events:

- Water Treatment Plant communications antenna replacement
- Water Treatment Plant space heater replacement

Surfside Park Estates Water Service Committee – November 24, 2022
Surfside Park Estates Water Service 2023 Operating and Capital Budget

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- Water Treatment Plant standby generator replacement
- Continued leak detection efforts on reservoir supply line

Other contributing factors for the operating overage is an increase in CRD labour for regular operations and maintenance of the water system in the near term because of the contract operations services ending on August 31, 2022. Although contract for services is under expended for the year, this amount only partially offsets CRD labour costs to provide operation and maintenance services.

It is projected that the 2022 operating revenue will be approximately \$1,397 under budget for user charge revenue due primarily to a reduction of SFE count.

This results in an overall operating deficit of approximately \$18,137. To balance the budget, it is proposed that we do the following:

- The 2022 transfer to the Capital Reserve Fund (CRF) be reduced by \$6,000;
- The 2022 transfer to the Operating Reserve Fund (ORF) of \$2,000 not be made; and
- There be a recovery from the ORF in the amount of \$10,137 as 2022 revenue.

This reduced reserve funds transfer results in a deficiency within the reserve funding target levels, which will require replenishment in 2023 and future years' planning. Otherwise, the resulting deficiency in 2022 must immediately be included as an expenditure to be recovered from revenue in the 2023 financial plan as required by *Local Government Act* Section 374(11).

The 2023 over 2022 operating costs (excluding 2023 one-time cyclical program funded by the ORF for hydrant maintenance) has been increased by \$4,328 (4.3%). The increase is primarily to account for inflation and increased labour charges.

Increased labour charges are a result of the addition of a dedicated 'on-island' Manager of Operations who will be based on Salt Spring Island and have operational oversight of all CRD local services on Salt Spring Island (SSI) and Southern Gulf Islands (SGI). The total labour cost for this position will be cost shared among 14 local utility services on SSI and SGI. The primary drivers for this role are to address regulatory requirements, workload management, capital project coordination and integration and to provide additional oversight and support to worker health and safety.

Municipal Finance Authority (MFA) Debt

The service is currently carrying no debt.

Operating Reserve Fund

The ORF is used to undertake cyclical maintenance activities that typically do not occur on an annual basis. Typical maintenance activities include hydrant maintenance, reservoir cleaning and ground water well servicing. The operating reserve also funds the procurement of equipment and supplies that are not purchased on an annual basis. Additionally, the operating reserve could be used for unplanned emergency repairs.

It is proposed that transfers to the operating reserve be set at \$2,000 in 2023 to ensure future maintenance activities are adequately funded and an optimal balance in the reserve fund be maintained. There is \$6,500 of planned maintenance over the next five years to be funded from the operating reserve fund.

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Surfside Park Estates Water Service 2023 Operating and Capital Budget

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The ORF balance at the end of 2022 is projected to be approximately \$14,507.

Capital Reserve Fund

The CRF is to be used to pay for capital expenditures that are not funded by other sources such as grants, operating budget, or debt.

It is proposed that the budgeted transfer to the CRF be set at \$15,000 in 2023. The reserve fund transfer planning is influenced by the funding required to support the five-year capital expenditure plan, the emergency response to infrastructure failures and guided by *Capital Reserve Funding Guidelines* endorsed by the CRD Board in aiming to achieve the optimal reserve fund level to ensure long-term prudent and sustainable management of service delivery objectives through capital investments.

The CRF balance at the end of 2022 is projected to be approximately \$74,927.

Capital Expenditure Plan

The Five-year Capital Plan includes \$2,060,000 of expenditures to be funded by a combination of the services' CRF and new debt. \$25,000 is to be funded by the CRF to complete a System Review (21-01) in 2023. This review will include a review of system deficiencies, including historical events, and expected end of life events in the supply, storage, and distribution components of the system. The review will form the asset replacement strategy to meet future system requirements, storage alternatives, and funding options, and will inform the Alternative Approval Process (AAP) (23-01) in 2024.

The Wood Dale Drive Water Main Replacement (24-01) and the New Tank and Pumpstation (25-01) are funded by new debt in 2025 and 2026. These projects have been estimated for planning purposes at \$300,000 and \$1,700,000 respectively, but the scope of the projects will be refined with the System Review project. Source Water Surveillance (24-02) project has been added and is estimated at \$20,000 in 2024.

Table 1 below provides the future debt servicing cost simulation for analytical purposes only with the indicative interest rate provided by MFA at the time of simulation.

Table 1 – Future New Debt Simulation

<i>Future Borrowing(s) Estimation</i>	<i>Term</i>	<i>Borrowing Year</i>	<i>Retirement Year</i>	<i>Estimated Interest Rate</i>	<i>Principal</i>	<i>Principal Payment</i>	<i>Interest Payment</i>	<i>Total Annual Debt Cost</i>
	25	2025	2050	4.90%	\$500,000	\$14,638	\$24,500	\$39,138
	25	2026	2051	4.90%	\$1,500,000	\$43,914	\$73,500	\$117,414
Total					\$2,000,000	\$58,552	\$98,000	\$156,552

At the commencement of each loan, 1% of the gross amount borrowed is withheld and retained by MFA as Debt Reserve Fund (DRF). To provide the full amount to fund the capital project, this 1% DRF amount is budgeted in the operating budget in the year of borrowing. However, there is no principal payment required in the year of borrowing. The estimated debt servicing cost of \$156,552 equates to approximately \$1,490.97 cost per parcel.

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Surfside Park Estates Water Service 2023 Operating and Capital Budget

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Capital Projects Fund

As specific capital projects are approved, the funding revenues for them are transferred into the Capital Projects Fund from multiple funding sources if applicable, including the CRF, grant funding, external contributions, and debt. Any funds remaining upon completion of a project are transferred back to the CRF for use on future capital projects or its original non-CRF funding sources if required.

User Charge and Parcel Tax

The service is funded by parcel tax and fixed user charge. Properties connected to the water system pay the annual fixed user charge and all properties within the local service area are responsible for the parcel tax. Table 2 below summarizes the 2023 over 2022 changes for parcel tax and user charge.

Table 2 – Parcel Tax and User Charge Summary

Budget Year	Parcel Tax	Taxable Folios Numbers	Parcel Tax per Folio*	User Charge	SFE Numbers	User Charge per SFE	Parcel Tax & User Charge
2022	\$23,100	105	\$231.55	\$94,807	68	\$1,394.22	\$1,625.77
2023	\$23,790	105	\$238.47	\$98,445	68	\$1,447.72	\$1,686.19
Change (\$)	\$690	0	\$6.92	\$3,638	0	\$53.50	\$60.42
Change (%)	3.0%	0.0%	3.0%	3.8%	0.0%	3.8%	3.7%

* Includes the 5.25% admin fee charged by the Ministry of Finance (not CRD revenue)

RECOMMENDATIONS

That the Surfside Park Estates Water Service Committee:

1. Approve the 2023 Operating and Capital Budget as presented, and recommend that the 2022 actual surplus or deficit be balanced on the 2022 Reserve Funds transfer (CRF and/or ORF); and
2. Recommends that the Electoral Area Services Committee recommend that the CRD Board approve the 2023 Operating and Capital Budget and the five-year Financial Plan for the Surfside Park Estates Water Service as presented.

Submitted by	Jason Dales, BSc., WD IV, Senior Manager, Wastewater Infrastructure Operations
Submitted by	Rianna Lachance, BCom., CPA, CA, Senior Manager, Financial Services
Concurrence	Ian Jesney, PEng., Acting General Manager, Integrated Water Services
Concurrence	Ted Robbins, BSc., CTech., Chief Administrative Officer

ATTACHMENT

Appendix A: 2023 Surfside Park Estates Service Budget

CAPITAL REGIONAL DISTRICT

2023 Budget

Surfside Park Estates (Mayne)

Commission Review

NOVEMBER 2022

Service: **2.667 Surfside Park Estates (Mayne)**

Committee: Electoral Area

DEFINITION:

To provide for the construction of water supply and distribution facilities for the Surfside Park Estates Water Service Area.
Bylaw No. 3088 (November 12, 2003).

PARTICIPATION:

The Southern Gulf Islands Surfside Park Estates Water Service Area #46, V(764).

MAXIMUM LEVY:

Greater of \$79,500 or \$13.97 / \$1,000 on actual assessed value of land and improvements. To a maximum of \$395,466.

COMMISSION:

Surfside Park Estates Water Service committee established by Bylaw No 3131 (June 14, 2004).

FUNDING:

User charge: Annual charge per single family equivalency unit connected to the system

Parcel Tax: Annual charge only on properties capable of being connected to the system

Connection Charge: Actual Cost + 15% Admin fee (minimum connection \$400)

RESERVE:

Capital Reserve Fund, established by Bylaw # 3191 (July 16, 2004).
Operating Reserve Fund, established by Bylaw # 4144 (December 14, 2016).

2.667 - Surfside Park Estates (Mayne)	2022		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2024	2025	2026	2027
<u>OPERATING COSTS</u>										
Operations Services Contract	19,350	13,100	19,930	-	-	19,930	20,330	20,740	21,150	21,570
Repairs & Maintenance	4,190	9,000	4,320	-	1,500	5,820	4,400	4,480	9,560	4,640
Allocations	7,907	7,907	8,484	-	-	8,484	8,658	8,834	9,014	9,199
Water Testing	4,040	3,700	4,121	-	-	4,121	4,203	4,287	4,373	4,461
Electricity	4,100	4,250	4,220	-	-	4,220	4,300	4,390	4,480	4,570
Supplies	18,980	20,350	19,560	-	-	19,560	19,960	20,370	20,790	21,210
Labour Charges	32,000	48,900	32,000	2,110	-	34,110	35,850	36,570	37,300	38,050
Other Operating Expenses	10,440	10,540	10,590	-	-	10,590	10,820	11,060	11,300	11,550
TOTAL OPERATING COSTS	101,007	117,747	103,225	2,110	1,500	106,835	108,521	110,731	117,967	115,250
*Percentage Increase over prior year			2.2%	2.1%	1.5%	5.8%	1.6%	2.0%	6.5%	-2.3%
<u>DEBT / RESERVES</u>										
Transfer to Operating Reserve Fund	2,000	-	2,000	-	-	2,000	2,500	3,000	2,000	2,000
Transfer to Capital Reserve Fund	15,000	9,000	15,000	-	-	15,000	23,540	23,155	2,000	2,000
MFA Debt Principal	-	-	-	-	-	-	-	-	14,638	58,552
MFA Debt Interest	-	-	-	-	-	-	-	6,125	42,875	98,000
MFA Debt Reserve Fund	-	-	-	-	-	-	-	5,000	15,000	-
TOTAL DEBT / RESERVES	17,000	9,000	17,000	-	-	17,000	26,040	37,280	76,513	160,552
TOTAL COSTS	118,007	126,747	120,225	2,110	1,500	123,835	134,561	148,011	194,480	275,802
<u>FUNDING SOURCES (REVENUE)</u>										
Transfer from Operating Reserve Fund	-	(10,137)	-	-	(1,500)	(1,500)	-	-	(5,000)	-
User Charges	(94,807)	(93,410)	(96,335)	(2,110)	-	(98,445)	(108,291)	(119,121)	(151,950)	(227,042)
Other Revenue	(100)	(100)	(100)	-	-	(100)	(100)	(100)	(100)	(100)
TOTAL REVENUE	(94,907)	(103,647)	(96,435)	(2,110)	(1,500)	(100,045)	(108,391)	(119,221)	(157,050)	(227,142)
REQUISITION - PARCEL TAX	(23,100)	(23,100)	(23,790)	-	-	(23,790)	(26,170)	(28,790)	(37,430)	(48,660)
*Percentage increase over prior year										
User Fee			1.6%	2.2%		3.8%	10.0%	10.0%	27.6%	49.4%
Requisition			3.0%			3.0%	10.0%	10.0%	30.0%	30.0%
Combined			1.9%	1.8%		3.7%	10.0%	10.0%	28.0%	45.6%

Surfside Park Estates (Mayne)
Summary Schedule
2023 - 2027 Financial Plan

Reserve/Fund Summary						
	Estimated	Budget				
	2022	2023	2024	2025	2026	2027
Operating Reserve Fund	14,507	15,007	17,507	20,507	17,507	19,507
Capital Reserve Fund	74,927	64,927	53,467	76,622	78,622	80,622
Total	89,434	79,934	70,974	97,129	96,129	100,129

Reserve Schedule

Reserve Fund: Surfside Water - Operating Reserve Fund Bylaw 4144

The Operating Reserve Fund (ORF) is used to undertake the cyclical maintenance activities, to fund the procurement of equipment and supplies that typically do not occur on an annual basis and also to be used for emergency unplanned repairs.
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Reserve Cash Flow

Fund: Fund Centre:	1500 105216	Estimated	Budget				
		2022	2023	2024	2025	2026	2027
Beginning Balance		24,374	14,507	15,007	17,507	20,507	17,507
Transfer from Ops Budget		-	2,000	2,500	3,000	2,000	2,000
Expenditures		-	(1,500)	-	-	(5,000)	-
Planned Maintenance Activity			Hydrant maintenance			Reservoir cleaning & inspection	
Deficit Recovery		(10,137)					
Interest Income*		270					
Ending Balance \$		14,507	15,007	17,507	20,507	17,507	19,507

<u>Assumptions/Background:</u>

* Interest is included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.

Reserve Schedule

Reserve Fund: Surfside Water - Capital Reserve Fund - Bylaw 3191

To provide for capital expenditures or in respect of capital projects and land, machinery or equipment necessary for them and extension or renewal of existing capital works.

Reserve Cash Flow

Fund: Fund Centre:	1066 101850	Estimated	Budget				
		2022	2023	2024	2025	2026	2027
Beginning Balance		65,217	74,927	64,927	53,467	76,622	78,622
Transfer from Ops Budget		9,000	15,000	23,540	23,155	2,000	2,000
Transfer from Cap Fund		-					
Transfer to Cap Fund		-	(25,000)	(35,000)	-	-	-
Interest Income*		710					
Ending Balance \$		74,927	64,927	53,467	76,622	78,622	80,622

<u>Assumptions/Background:</u>

Transfer as much as operating budget will allow.
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* Interest is included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.

CAPITAL REGIONAL DISTRICT
FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2023 to 2027

Service No.	2.667	Carry Forward from 2022	2023	2024	2025	2026	2027	TOTAL
	Surfside Park Estates (Mayne)							

EXPENDITURE

Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$25,000	\$20,000	\$0	\$0	\$0	\$45,000
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$0	\$0	\$15,000	\$500,000	\$1,500,000	\$0	\$2,015,000
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$25,000	\$35,000	\$500,000	\$1,500,000	\$0	\$2,060,000

SOURCE OF FUNDS

Capital Funds on Hand	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debenture Debt (New Debt Only)	\$0	\$0	\$0	\$500,000	\$1,500,000	\$0	\$2,000,000
Equipment Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants (Federal, Provincial)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Donations / Third Party Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund	\$0	\$25,000	\$35,000	\$0	\$0	\$0	\$60,000
	\$0	\$25,000	\$35,000	\$500,000	\$1,500,000	\$0	\$2,060,000

CAPITAL REGIONAL DISTRICT
5 YEAR CAPITAL PLAN
2023 - 2027

<p>Project Number</p> <p>Project number format is "yy-##"</p> <p>"yy" is the last two digits of the year the project is planned to start.</p> <p>"##" is a numerical value. For example, 23-01 is a project planned to start in 2023.</p> <p>For projects in previous capital plans, use the same project numbers previously</p>	<p>Capital Project Description</p> <p>Briefly describe project scope and service benefits.</p> <p>For example: <i>Tull Roof Replacement of a 40 year old roof above the swimming pool area, The new roofing system is built current energy standards, designed to minimize maintenance and have an expected service life of 35 years'.</i></p>	<p>Carryforward from 2022</p> <p>Input the carryforward amount from the 2022 capital plan that is remaining to be spent. Forecast this spending in 2023 to 2027.</p>	<p>Project Drivers</p> <p>Maintain Level of Service = Project maintains existing or improved level of service.</p> <p>Advance Board or Corporate Priority = Project is a Board or Corporate priority.</p> <p>Emergency = Project is required for health or safety reasons.</p> <p>Cost Benefit = Economic benefit to the organization.</p>
<p>Capital Expenditure Type</p> <p>Study - Expenditure for feasibility and business case report.</p> <p>New - Expenditure for new asset only</p> <p>Renewal - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service</p>	<p>Total Project Budget</p> <p>Provide the total project budget, even if it extends beyond the 5 years of this capital plan.</p>	<p>Funding Source Codes</p> <p>Debt = Debenture Debt (new debt only)</p> <p>ERF = Equipment Replacement Fund</p> <p>Grant = Grants (Federal, Provincial)</p> <p>Cap = Capital Funds on Hand</p> <p>Other = Donations / Third Party Funding</p> <p>Res = Reserve Fund</p> <p>STLoan = Short Term Loans</p> <p>WU = Water Utility</p> <p>If there is more than one funding source, use additional rows for the project.</p>	<p>Long-term Planning</p> <p>Master Plan / Servicing Plan = Plan that identifies new assets required to meet future needs.</p> <p>Asset Management Plan / Sustainable Service Delivery Plan = Integrated plan that identifies asset replacements based on level of service, criticality, condition, risk, replacement costs as well as external impacts.</p> <p>Replacement Plan = Plan that identifies asset replacements based primarily on asset age or asset material/type.</p> <p>Condition Assessment = Assessment that identifies asset replacements based on asset condition.</p>
<p>Capital Project Title</p> <p>Input title of project. For example "Asset Name - Roof Replacement", "Main Water Pipe Replacement".</p>	<p>Asset Class</p> <p>L - Land</p> <p>S - Engineering Structure</p> <p>B - Buildings</p> <p>V - Vehicles</p>		<p>Cost Estimate Class</p> <p>Class A (+10-15%) = Estimate based on final drawings and specifications, used to evaluate tenders.</p> <p>Class B (+15-25%) = Estimate based on investigations, studies or preliminary design, used for budget planning.</p> <p>Class C (+25-40%) = Estimate based on limited site information, used for program planning.</p> <p>Class D (+50%) = Estimate based on little/no site information, used for long-term planning.</p>

Service #:	2.667
Service Name:	Surfside Park Estates (Mayne)

Project List and Budget													
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward from 2022	2023	2024	2025	2026	2027	5 - Year Total
21-01	Replacement	System Review	Review the system with tank location and accessibility taken into account.	\$25,000	E	Res	\$0	\$25,000	\$0	\$0	\$0	\$0	\$25,000
23-01	Replacement	Alternative Approval Process	Undertake an alternative approval process to borrow funds to carry out water system improvements in future years.	\$15,000	S	Res	\$0	\$0	\$15,000	\$0	\$0	\$0	\$15,000
24-01	Replacement	Wood Dale Drive Water Main Replacement	Replace approximately 200 m of leaking water main along Wood Dale Drive.	\$300,000	S	Debt	\$0	\$0	\$0	\$300,000	\$0	\$0	\$300,000
24-02	New	Source Water Surveillance	Construct source water surveillance for water quantity monitoring.	\$20,000	E	Res	\$0	\$0	\$20,000	\$0	\$0	\$0	\$20,000
25-01	Replacement	New Tank & PS	Design and construction new water storage tank and pump station	\$1,700,000	S	Debt	\$0	\$0	\$0	\$200,000	\$1,500,000	\$0	\$1,700,000
			GRAND TOTAL	\$2,060,000			\$0	\$25,000	\$35,000	\$500,000	\$1,500,000	\$0	\$2,060,000

Service: 2.667 Surfside Park Estates (Mayne)			
Project Number	21-01	Capital Project Title	System Review
Capital Project Description	Review the system with tank location and accessibility taken into account.		
Project Rationale	Review the location and replacement of the existing tanks, with accessibility taken into account, resulting in recommendations for future improvements.		
Project Number	23-01	Capital Project Title	Alternative Approval Process
Capital Project Description	Undertake an alternative approval process to borrow funds to carry out water system improvements in future years.		
Project Rationale	Funds are required to conduct an alternative approval process for future funding of water system improvements including water main replacement.		
Project Number	24-01	Capital Project Title	Wood Dale Drive Water Main Replacement
Capital Project Description	Replace approximately 200 m of leaking water main along Wood Dale Drive.		
Project Rationale	Funds are required to replace approximately 200 m of 150 mm diameter PVC water main that is leaking along Wood Dale Drive.		
Project Number	24-02	Capital Project Title	Source Water Surveillance
Capital Project Description	Construct source water surveillance for water quantity monitoring.		
Project Rationale	Construct source water surveillance for water quantity monitoring.		
Project Number	25-01	Capital Project Title	New Tank & PS
Capital Project Description	Design and construction new water storage tank and pump station		
Project Rationale	Design and construction new water storage tank and pump station		

2.667 - Surfside Park Estates (Mayne)

Capital Projects
Updated @ Oct 21, 2022

Year	Project#	Capital Plan#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
						Expenditure Actuals	Remaining Spending	
2019	CE.686	19-01	Open	Surfside Wtr PRV Chamber Hatch Replacement	8,000	2,197	5,803	8,000
				Totals	28,297	22,494	5,803	28,297

Service: **2.667 Surfside Park Estates (Mayne)**Committee: **Electoral Area**

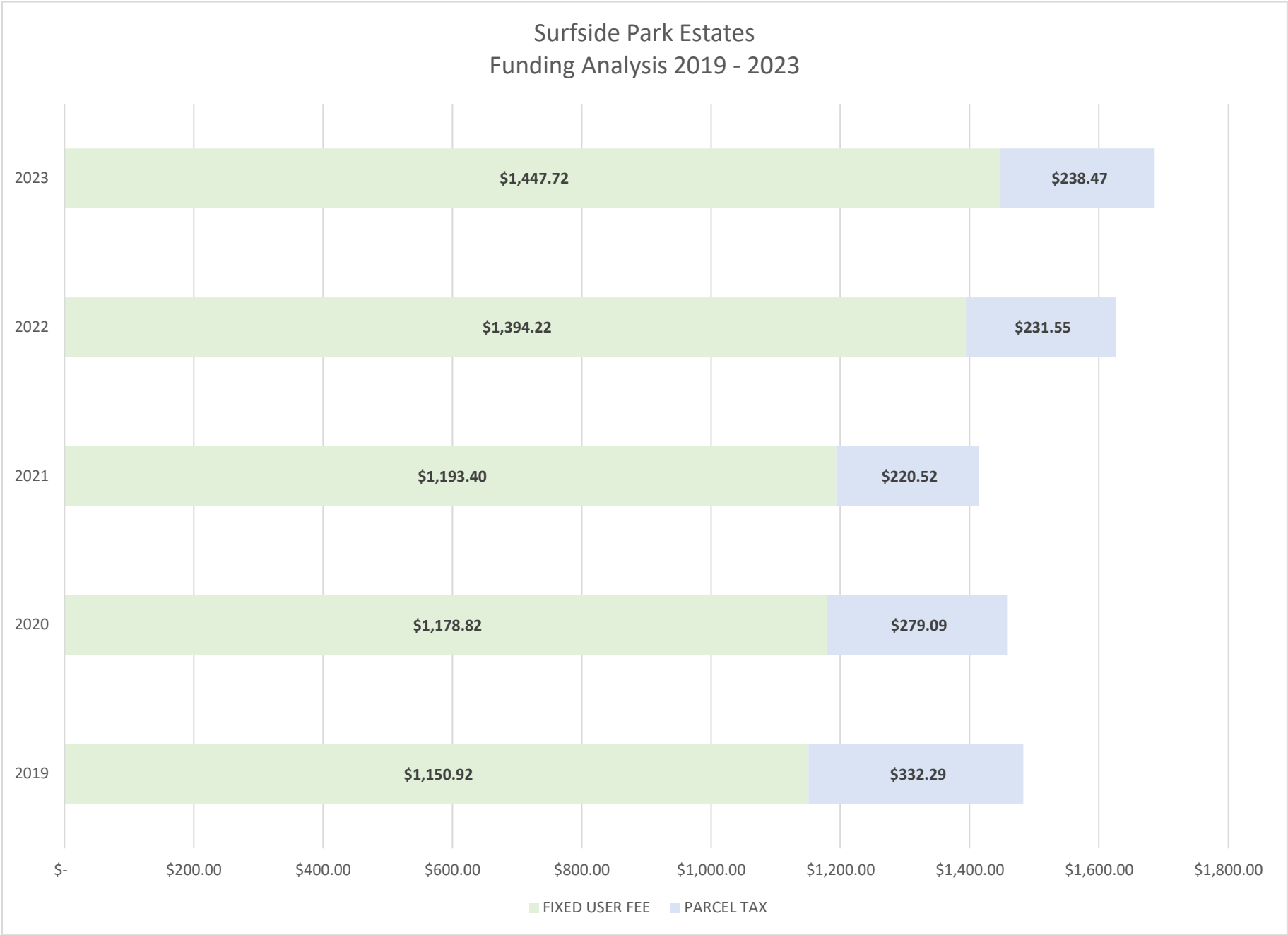
<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>SFE's</u>	<u>User Charge*</u>	<u>Tax & Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2011	107	\$326.11	62	\$925.53	\$1,251.64	3778	16,580.50
2012	107	\$326.11	64	\$953.30	\$1,279.41	3823	14,943.50
2013	107	\$326.11	64	\$953.30	\$1,279.41	3892	13,249.40
2014	107	\$326.11	64	\$953.30	\$1,279.41	3924	12,331.30
2015	107	\$326.11	64	\$953.30	\$1,279.41	3987	12,398.30
2016	106	\$329.15	64	\$1,058.10	\$1,387.25	4074	13,735.30
2017	106	\$329.16	64	\$1,058.10	\$1,387.26	4170	13,782.40
2018	106	\$332.29	65	\$1,100.40	\$1,432.69	4233	15,871.30
2019	106	\$332.29	65	\$1,150.92	\$1,483.21	4274	15,522.80
2020	105	\$279.09	66	\$1,178.82	\$1,457.91	4337	19,308.40
2021	105	\$220.52	68	\$1,193.40	\$1,413.92	4389	19,316.90
2022	105	\$231.55	68	\$1,394.22	\$1,625.77	4471	28,308.20
2023	105	\$238.47	68	\$1,447.72	\$1,686.19		

Change from 2022 to 2023

\$6.92
2.99%

\$53.50
3.84%

\$60.42
3.72%





REPORT TO SURFSIDE PARK ESTATES WATER SERVICE COMMITTEE MEETING OF THURSDAY, NOVEMBER 24, 2022

SUBJECT Capital Project Status Reports and Operational Updates – November 2022

ISSUE SUMMARY

To provide the Surfside Park Estates Water Service Committee with capital project status reports and operational updates.

BACKGROUND

The Surfside Park Estates Water System is located on the south west side of Mayne Island in the Southern Gulf Islands Electoral Area and provides drinking water to approximately 67 customers. Capital Regional District (CRD) Integrated Water Services is responsible for the overall operation of the water system with day-to-day operation and maintenance, design and construction of water system facilities provided by the CRD Infrastructure Engineering and Operations Divisions. The quality of drinking water provided to customers in the Surfside Park Estates Water System is overseen by the CRD Water Quality Section.

CAPITAL PROJECT UPDATE

21-01 | System Review

Project Description: Review the system with tank location and accessibility taken into account.

Project Rationale: Review the location and replacement of the existing tanks, with accessibility taken into account, resulting in recommendations for future improvements. Staff are to review options for tank replacement for maintenance and maintaining a resilient water system. Tank sizing, location, pumping requirements will all be factored to ensure a sustainable water supply can be effectively delivered.

Project Update and Milestones:

Milestone	Completion Date
Project will commence when the CRD Board approves the project budget	March 16, 2022
Staff are compiling background documents (flow requirements, zoning, record drawings and easements) for project delivery	Ongoing

OPERATIONAL UPDATE

This is an operational update reporting period from June 2022 through October 2022.

- Corrective maintenance performed on the standby generator but it was determined that repairs would likely exceed the replacement value; therefore a new standby generator was procured and commissioned in advance of the 2022 winter storm season when extended power outages are expected.

Surfside Park Estates Water Service Committee – November 24, 2022
Capital Project Status Reports and Operational Updates – November 2022

2

- Continued leak detection activities, including issuing a water service interruption notification to the public, performed on October 6. A significant leak(s) was identified on the supply line between the reservoir and Mariners Way earlier this year. This particular leak accounts for approximately 30% of the daily water production for the service. On October 6, Operations installed a line valve on the reservoir water supply line in an effort to further narrow down the leak location.
- Replacement of the water treatment plant space heater.
- Replacement of the sodium hypochlorite plastic storage day tank.

RECOMMENDATION

There is no recommendation. This report is for information only.

Submitted by:	Jared Kelly, P.Eng., Manager, Capital Projects
Submitted by:	Dan Robson, A.Sc.T., Manager, Saanich Peninsula and Gulf Islands Operations
Concurrence:	Joseph Marr, P.Eng., Acting Senior Manager, Infrastructure Engineering
Concurrence:	Jason Dales, B.Sc., WD IV., Acting Senior Manager, Wastewater Infrastructure Operations
Concurrence:	Ian Jesney, P.Eng., Acting General Manager, Integrated Water Services